

INSURANCE DIVISION[191]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)"b."

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 505.8 and 522B.18, the Insurance Division hereby gives Notice of Intended Action to amend Chapter 11, "Continuing Education for Insurance Producers," Iowa Administrative Code.

The rules in Chapter 11 set out the requirements, procedures and fees relating to the type, amount, and proof of continuing education insurance producers must complete, and relating to the approval of continuing education providers and courses. The proposed amendments to the rules are in accordance with uniform guidelines issued by the National Association of Insurance Commissioners. The Insurance Division intends that Iowa insurance companies and producers shall comply with the rules beginning January 1, 2009.

Any interested person may make written suggestions or comments on these proposed amendments on or before October 14, 2008. Such written materials should be directed to Ann Outka, Iowa Insurance Division, 330 Maple Street, Des Moines, Iowa 50319; fax (515)281-3059.

Also, there will be a public hearing on October 14, 2008, at 10 a.m. at the offices of the Iowa Insurance Division, 330 Maple Street, Des Moines, Iowa 50319, at which time persons may present their views either orally or in writing. At the hearing, persons will be asked to give their names and addresses for the record and to confine their remarks to the subject of the amendments.

Any persons who intend to attend the public hearing and have special requirements, such as those relating to hearing or mobility impairments, should contact the Division and advise of specific needs.

These amendments are intended to implement Iowa Code chapter 522B.

The following amendments are proposed.

ITEM 1. Amend subrule 11.1(3) as follows:

11.1(3) These rules do not apply to:

- a. No change.
- b. A resident producer who holds qualification in one of the following lines of authority: 5-(surety); 18-(or credit life, accident and health insurance), or 4 (crop insurance).
- c. and d. No change.
- e. A resident producer who holds qualification only for a crop insurance line of authority and who complies with subrule 11.3(8).

ITEM 2. Rescind the "Producer" "Renewal year" in rule **191—11.2(505,522B)**.

ITEM 3. Amend rule **191—11.2(505,522B)**, "CE term" "Proctored," as follows:

"CE term" means the three year one month period beginning the first day of the producer's birth month and ending on the last day of the producer's birth month in the renewal year period of time beginning when a producer's insurance license is issued or renewed and the following license expiration date.

"Proctored" or "independently proctored" means the supervision by a CE provider or licensed producer ~~disinterested third party~~ over the conduct of a producer while that producer is completing an examination that is part of a self-study CE course.

ITEM 4. Adopt the following new "Producer" in rule **191—11.2(505,522B)**:

"Producer" or "insurance producer" means a person required to be licensed in this state to sell, solicit or negotiate insurance.

ITEM 5. Amend subrule 11.3(7) as follows:

11.3(7) A producer may elect to comply with the CE requirements by taking and passing the appropriate licensing examination for each qualification held by the producer.

a. A producer who holds property and casualty lines of authority (~~authority numbers 21 and 22~~) must successfully complete the commercial insurance subject examination.

b. A producer who holds an excess and surplus line of authority must successfully complete the examination for the excess and surplus line of authority (~~authority number 20~~) and the commercial insurance subject examination.

ITEM 6. Rescind subrule 11.3(8) and adopt the following **new** subrule in lieu thereof:

11.3(8) For a resident producer who holds qualification only for a crop insurance line of authority and who is requesting renewal of a producer license on or after January 1, 2010, the producer must be able to demonstrate the following each time renewal of a license is requested:

a. The producer has completed all training and continuing education requirements imposed by the federal Risk Management Association, if any; and

b. The producer has completed 18 credits of continuing education, 3 of which must be in the area of ethics, except that a producer who is requesting renewal of a producer license during 2010 must demonstrate that the producer has completed 9 credits of continuing education, 3 of which must be in the area of ethics.

ITEM 7. Amend rule 191—11.4(505,522B) as follows:

191—11.4(505,522B) Proof of completion of continuing education requirements.

11.4(1) Producer duties.

~~11.4(1) a.~~ Producers are required to demonstrate compliance with the CE requirements at the time of license renewal. Procedures for completing the license renewal process are outlined in 191—Chapter 10.

~~11.4(2) b.~~ Producers are required to maintain a record of all CE courses completed by keeping the original certificates of completion for four years after the end of the year of attendance.

~~11.4(3) Waiver or extension. Rescinded IAB 10/25/06, effective 11/29/06.~~

11.4(2) Insurer duties regarding federal flood insurance. An insurer authorized to do business in Iowa shall demonstrate to the division, upon the division's request, that producers appointed by the insurer have complied with all continuing education guidelines as established by the National Flood Insurance Program (NFIP).

ITEM 8. Amend subrule 11.10(8) as follows:

11.10(8) CE providers must submit rosters of all course attendees to the ~~division~~ division's outside vendor. These reports must be received at the division by the tenth day of the month following the month in which the course is completed. Rosters shall be submitted electronically in a manner prescribed by the division.